

This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 KIEV 000400

SIPDIS

E.O. 12958: DECL: 01/31/2016

TAGS: [PGOV](#) [KDEM](#) [UP](#)

SUBJECT: UKRAINE: PRESIDENTIAL ADVISER SEES POSSIBILITIES  
IN PARTY OF REGIONS

Classified By: Political Counselor Aubrey Carlson for reasons 1.4(b,d)

1. (C) Summary: During a January 31 conversation with visiting Project for Transitional Democracies President Bruce Jackson and PolOff, Presidential Security Policy Adviser and National Security Institute Chairman Volodymyr Horbulin said the electoral list of ex-PM Yanukovych's Party of Regions, most notable for its inclusion of criminal and anti-democracy figures, also included progressive businessmen who wanted the party to become more modern and democratic. Horbulin predicted that Party of Regions' would maintain its lead in the polls (25-30% support, compared to 15% each for the parties of President Yushchenko and ex-PM Tymoshenko) through election day (March 26). End summary.

#### A Changing Party of Regions

2. (C) Presidential advisor and eminence grise of the Ukraine's strategic thinking set who also served President Yushchenko's predecessor, Horbulin said the Party of Regions was, first and foremost, a regional bloc that represented the large enterprises and financial structures of the Donbas region (note: Donetsk and Luhansk oblasts). To an extent, the party also united the coalmining regions of Ukraine by drawing support as well from neighboring oblasts Zaporizhzhya and Dnipropetrovsk. The party of former PM and losing presidential candidate Viktor Yanukovych was united, had decided not to join other opposition forces, and enjoyed deep pockets, being largely financed by billionaire Donetsk boss Rinat Akhmetov.

3. (C) Party of Regions, Horbulin claimed, had appropriated tactics for the 2006 parliamentary (Rada) campaign that had served then-opposition candidate Yushchenko well during the 2004 presidential election campaign. Regions was claiming that the government in power had promised much, but delivered nothing. The party was saying that, if its candidates were elected, it would deliver. Acknowledging that he might be a "great optimist," Horbulin added that, while Party of Regions included some "pure criminals," it was not just a collection of corrupt individuals. The party's Rada electoral list included several strong directors of former Soviet enterprises, such as Vyacheslav Bohuslayev, chairman of Zaporizhzhya-based Motor Sich, which produces aircraft and helicopter engines. Another such person was Heorhiy Skudar, one of the owners of the Novokramatorsk Engineering Works. Concluding that the list was an interesting mixture, Horbulin said he personally knew about 50 of the first 100 on Party of Regions' electoral list. Of the 50, he felt that half wanted Party of Regions to be a modern and democratic party. While they were reluctant to surrender the favorable business conditions that first provided their wealth, they also understood the times were changing.

#### The Race is On

4. (C) In reply to Jackson's question, Horbulin said that, while approval ratings would fluctuate in the two months before the March 26 parliamentary elections, one result was definite -- no single party would be able to claim a ruling majority. Party of Regions enjoyed the highest ratings now for two reasons. First, Party of Regions had gathered together much of the political opposition to President Yushchenko during the disputed 2004 presidential campaign. Second, public disappointment over first the Tymoshenko Cabinet's performance and now Yekhanurov's Cabinet had been mounting over the past year. The September dismissal of Tymoshenko had seen a rise in Party of Regions' ratings, evidence that Party of Regions had been buoyed by evidence of a split in the "Orange team."

5. (C) The natural gas dispute with Russia, however, had brought down Party of Regions' popularity ratings, Horbulin continued. In the latest polls, Party of Regions' ratings were around 25 percent, down from 30 percent earlier. The ratings of Yushchenko's People's Union Our Ukraine (PUOU), on the other hand, had gone up from around 15 percent to as high as 20. This blip did not necessarily constitute a trend, Horbulin noted.

6. (C) Horbulin said PUOU and Bloc Yuliya Tymoshenko (BYuT) would each garner a minimum of 15 percent and a maximum of 20

percent of votes in the parliamentary election, coming in second and third to Party of Regions. The Socialist and Communist parties would come in fourth and fifth places, but neither party would get more than 7-8 percent of the vote. The remaining bloc that would definitely get over the three percent threshold to enter parliament was Ne Tak, based on the Social Democratic Party of Ukraine (united) of former President Kravchuk, former presidential chief of staff Medvedchuk, and oligarch MP Surkis. Other parties that might get into parliament were Rada Speaker Lytvyn's bloc, the Pora-Reforms and Order bloc and Nataliya Vitrenko's Progressive Socialist Party. (Note: A former National Security and Defense Council Secretary and perhaps Ukraine's foremost strategic thinker, Horbulin has in the past proved an astute and relatively neutral observer of domestic politics as well. His is the first confident prediction we have heard that Ne Tak/SDPU(o) would get over the 3% threshold.)

17. (U) Visit Embassy Kiev's classified website:  
[www.state.sgov.gov/p/eur/kiev](http://www.state.sgov.gov/p/eur/kiev).  
HERBST